

Exhibit 10

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF KINGS - CRIMINAL TERM - PART 11

-----X
THE PEOPLE OF THE STATE OF NEW YORK,

-against-

Indictment
No.4270-99

TATIANA RYBUK,

Defendant.

-----X
360 Adams Street
PLEA Brooklyn, New York
October 27, 1999

B E F O R E:

HONORABLE NEIL JON FIRETOG,

Justice.

A P P E A R A N C E S:

OFFICE OF CHARLES J. HYNES, ESQ.
DISTRICT ATTORNEY, KINGS COUNTY
Attorney for the People
BY: ANN SEELY, ESQ.,
& ELLEN BURACH, ESQ.,
Assistant District Attorneys

DAVID RUCK, ESQ.,
Attorney for the Defendant
One Whitehall Street
New York, NY 10004

Teresa McGrath
Official Court Reporter

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THE CLERK: Calendar number eleven,
Indictment 4270 of 1999, Tatiana Rybuk.
Defendant is present with attorney.
Your appearance, for the record?

MS. SEELY: Ann Seely, for the Office
of the District Attorney.

MR. RUCK: Good afternoon, your
Honor.

My appearance is David Ruck, R-u-c-k,
One Whitehall Street, New York City.

MS. BURACH: Ellen Burach, for the
Office of the District Attorney.

THE COURT: All right. I have been
provided with a possible disposition to
this case and in exchange for a plea of
guilty to an attempt to count one, plead
guilty to count three, and a plea of
guilty to twelve other insurance fraud
counts that this will be in full
satisfaction of all charges in this
indictment as well as any other pending or
any other matter stemming out of this
criminal activity and that in exchange for
these pleas that I will sentence the

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defendant to five years probation with
five special conditions, including
community service, restitution, waiver of
unpaid claims, signing corporate
resolutions, and refraining from engaging
in certain activities.

THE CLERK: Community service?

THE COURT: Yes.

Miss Rybuk, is that what you want to
do?

THE DEFENDANT: Yes.

THE COURT: Listen to me carefully.

Raise your right hand.

Do you swear to tell the truth, the
whole truth, and nothing but the truth?

THE DEFENDANT: Yes.

THE COURT: Put your hand down.

Listen to me carefully, according to
the facts as I understand them to be, it
is alleged that you, acting in concert
with a number of other individuals
including Paul Schneider, Julia Kofman,
Gene Arbitman, and various medical PC
corporations, including Bakshi Medical

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Services, HAS Medical Services, All Medical Surgical Supply Corp, Jamaica Avenue Medical Services, PC, Flatbush Medical Services PC, Bulsara Medical Services PC, all engaged in the crime of enterprise corruption in that on or about and between December 2nd of 1996 and April 12th of 1999, these dates being approximate and inclusive, here in the County of Kings and elsewhere, that you, acting in concert with these other defendants, having knowledge of the existence of this criminal enterprise and of the nature of its activities, being employed by or associated with such enterprise, intentionally conducted and participated in the affairs of the enterprise by participating in a pattern of criminal activity, including making payoffs to persons known as steerers who brought individuals, who had purportedly been in automobile accidents, to medical clinics as patients so that services could be billed; fraudulently billing insurance

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companies for unnecessary and/or unperformed medical visits and procedures related to these patient-claimants under the carriers' State of New York No-Fault automobile insurance policies; also fraudulently billing insurance carriers for unnecessary and/or unperformed physical therapy treatment for these patients; fraudulently billed insurance carriers for durable medical equipment using forged doctors' prescriptions and false backup invoices; and fraudulently billed for studies, including nerve conduction studies known as CAT scans -- as well as CAT scans, x-rays, MRI's all based upon forged and false medical reports.

Are these facts true?

THE DEFENDANT: Yes.

THE COURT: You were engaged in doing this?

THE DEFENDANT: Yes.

THE COURT: Specifically, there are a number of acts that are required to show

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the pattern activity, in this case there are at least sixty some-odd acts alleged and I want to ask you specifically about two of them.

On or about and between August 2nd of 1997 and September 17th of 1997, both dates being approximate and inclusive, here in Brooklyn, you, Paul Schneider, Julia Kofman, Gene Arbitman, and the Jamaica Clinic, acting in concert with others, with the intent to defraud, including intent to commit another crime including Grand Larceny and Insurance Fraud, you aided and concealed the commission thereof that crime by making and causing to be made false entries in business records of an enterprise, namely physical therapy progress notes submitted to the Allcity Insurance Company from the Jamaica Clinic pursuant to a claim number 413-016-959-8 for services allegedly rendered on August 2nd of 1997, August 6th, and August 7th of 1997.

Is that true?

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THE DEFENDANT: Yes.

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Are those true, also?

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THE DEFENDANT: Yes.

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THE COURT: Now I know you have discussed with Mr. Ruck the remaining sixty acts, and in discussing those acts, and I ask you now, are those acts true, that you committed those acts with these other individuals?

THE DEFENDANT: Yes.

1 Plea

2 THE COURT: Now, it's also alleged
3 that you engaged, under count three, with
4 a scheme to defraud.

5 MR. RUCK: Your Honor, if I may, I may
6 not have been listening attentively, but
7 the allocution on count one is as to
8 Attempted Enterprise Corruption in
9 violation of 110/460-20; is that correct?

10 THE COURT: Subdivision 1, Subdivision
11 A.

12 MR. RUCK: Thank you.

13 THE COURT: Under count three it's
14 alleged that you, acting in concert with
15 the same individuals, committed the crime
16 of a Scheme to Defraud in the First
17 Degree, in that you and others, these
18 defendants, on or about and between
19 December 2nd of 1996 and April 12th of
20 1999, both dates being approximate and
21 inclusive, here in the County of Kings and
22 elsewhere, acting in concert, engaged in a
23 scheme constituting a systematic ongoing
24 course of conduct with the intent to
25 defraud more than one person and to obtain

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property from more than one person by

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false and fraudulent pretenses,

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representations and promises, and so

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obtained property with a value in excess

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of \$1,000, that is currency, from the

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various insurance carriers, including

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Allcity, Progressive, Allstate, Geico,

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Nationwide, Prudential, State Farm,

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Integon, New York Central, National

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Grange, Eagle and American Transit.

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Are those facts true?

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THE DEFENDANT: Yes.

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THE COURT: I also want to add at this

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point before we continue that it has come

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to my attention that Prudential is one of

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the insurance companies defrauded. My

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wife is a vice-president for Prudential in

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the compliance area.

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Does that affect this plea in any

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way?

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MR. RUCK: No, your Honor.

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THE COURT: All right.

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Now, it is alleged that you committed

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the crimes of Insurance Fraud against

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various insurance companies and they have selected twelve different instances where it is alleged that between a particular time and place and date, here being in Brooklyn, that you, acting in concert with Paul Schneider, Julia Kofman, and Gene Arbitman, as well as various of these clinics, did, with the intent to defraud and to commit another crime, excuse me, did commit the crime of Insurance Fraud by committing a fraudulent insurance act in that you knowingly and with intent to defraud, and pursuant to a common scheme or plan, presented or caused to be presented, and prepared with the knowledge and belief that it would be presented to an insurer or to an agent of an insurance company, a written statement as part of and in support of a claim for payment and other benefit pursuant to an insurance policy for commercial or personal insurance, which you knew to contain materially false information concerning a material fact, and that you concealed, for

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the purpose of misleading, information concerning that material fact; namely, various acts.

Now I am going to go through these acts and you will tell me whether or not it's true.

Under count nineteen it's alleged that this occurred between August 2nd of 1997 and September 17th of 1997 where physical therapy progress notes were submitted to Allcity from the Jamaica Clinic pursuant to a claim for services rendered on August 2nd of 1997, the 4th, and the 6th.

Is that true?

THE DEFENDANT: Yes.

THE COURT: Under count thirty-five it's alleged that the defendants, acting together, on or about September 19th of 1997 and October 24th of 1997 submitted a false medical report to Progressive from the Flatbush Clinic for services allegedly rendered on September 19th of 1997.

Is that true?

THE DEFENDANT: Yes.

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THE COURT: It's also alleged in count fifty-nine that between March 23rd of '98 and April 16th of 1998 you submitted, with these others, for the purpose of misleading, a medical report to Allstate Insurance from the HAS Clinic for services allegedly rendered on March 23rd of 1998.

Is that true?

THE DEFENDANT: Yes.

THE COURT: It's also alleged in count sixty-seven that between December 15th of '97 and February 20th of 1998, that a false medical report was submitted to Geico from the ALL Clinic pursuant to a claim for services allegedly rendered on December 18th of 1997.

Is that true?

THE DEFENDANT: Yes.

THE COURT: Under count eighty-three it's alleged that a false medical report was submitted to Nationwide from the Bakshi Clinic for a claim allegedly for services rendered on September 25th of 1996 and that this was between that date

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and the date of payment of December 19th
of '97.

Are those facts true?

THE DEFENDANT: Yes.

THE COURT: On the eighty-seventh
count it's alleged that between July 12th
of '97 and August 21st of '97, that
everyone knew about and participated in
the filing of false physical therapy
progress report notes to the Prudential
from Bakshi which alleged services
rendered on July 12th.

Is that true?

THE DEFENDANT: Yes.

THE COURT: Under the ninety-ninth
count of the indictment it's alleged that
on or about and between October 16th
of '97 and December 1st of '97, that false
physical therapy progress reports were
submitted to State Farm from the Bakshi
Clinic for services allegedly rendered on
October 16th, 18th and 20th.

Is that true?

THE DEFENDANT: Yes.

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THE COURT: It's also alleged that on October 9th of '97 to January 28th of '98, a Verification of Treatment form for the sciatic nerve block was submitted to Eagle Insurance by HAS pursuant to a claim for services allegedly rendered on October 9th of 1997.

Is that true?

THE DEFENDANT: Yes.

MR. RUCK: That's count one hundred one?

THE COURT: One hundred one.

On count one hundred three it is alleged that between November 6th of '97 and February 24th of '98, a false medical prescription for durable medical equipment dated November 6th of '97 was submitted to American Transit for or from the ALL Clinic pursuant to claim number 604-457-07.

Is that true?

THE DEFENDANT: Yes.

THE COURT: And as to the hundred and seventh count it's alleged that on or

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about and between November 28th of '97 and February 23rd of '98, that a false medical report was submitted to Integon from Bakshi Clinic for services allegedly rendered on November 28th of 1997.

Are those facts true?

THE DEFENDANT: Yes.

THE COURT: As to the hundred and fifteenth count it's alleged that a false Verification of Treatment form for sciatic nerve block was submitted to New York Central from the HAS Clinic for services allegedly rendered on October 10th of 1997 for a period covering October 10th to January 19th of '98.

Are those facts true?

THE DEFENDANT: Yes.

THE COURT: And last, as to the hundred and thirty-seventh count, it's alleged that on or about and between September 16th of '98 and January 29th of '99, that a false medical prescription for durable medical equipment dated September 16th of 1998 was submitted to

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the National Grange from Bulsara Clinic
for claim number 71Y-815-46.

Are those facts true? .

THE DEFENDANT: Yes.

THE COURT: Now, you understand as
part of this allocution that it is alleged
that you engaged in these fraudulent
insurance acts with the knowledge and the
participation of the doctors and clinics,
including but not limited to an individual
by the name of Hussaini, Bulsara,
Reyes-Arguelles, Mallela, and Lahiri,
and S.L. Medical Services, PC, Canarsie
Medical Services, PC, Avenue N Medical
Services, PC, Z.A.R.A. Medical Services,
PC, and Serenicy Durable and Medical Corp
all knew about this.

Is that true?

THE DEFENDANT: Yes.

THE COURT: In furtherance of this
criminal enterprise and insurance fraud
your group submitted false claims to
insurance companies, included but not
limited to Allstate, Progressive, Geico,

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Travelers, as well.

Is this true?

THE DEFENDANT: Yes.

THE COURT: And that part of the
falsity was to forge the signatures of
these doctors mentioned above on medical
reports, progress notes, prescription for
durable medical equipment.

Is that true?

THE DEFENDANT: Yes.

THE COURT: And that Rabiner owned
certain diagnostic centers and was paid
for the referrals that were made to these
imaging companies; is that right?

MR. RUCK: I think actually, your
Honor, it is that those centers made
payments rather than received payments.

MS. BURACH: Right.

THE COURT: All right. They made
kickbacks; is that it?

MS. BURACH: Yes.

THE COURT: To the group, and that's
Metroscan Imaging, Parkway MRI, Belt
Parkway Imaging, Diagnostic Imaging, and

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Metropolitan Radiological Imaging.

Is that true?

THE DEFENDANT: Yes.

THE COURT: All right. Now, you understand you are pleading guilty to a number of very serious crimes. The promise that I am making you is based upon the agreement that your attorneys worked out with the DA, and I have gone over it and I will go along with it, is that you are going to do five hundred hours community service, you are going to be placed on probation for five years with five special conditions; five hundred hours of community service, restitution of one million dollars to be paid over the five years, and we will work out a schedule, that you will waive all unpaid claims for insurance payments associated with the Avenue U Enterprise, including but not limited to claims related to All Medical Surgical Supply, Corp., Flatbush Medical Services, PC, HAS Medical Services, PC, Avenue U Medical Services,

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Jamaica Avenue Medical Services, PC,
Bakshi Medical Services, PC, Bulsara
Medical Services, PC, and that you will
sign a release for these unpaid claims
prior to sentencing.

Do you understand that?

THE DEFENDANT: Yes.

THE COURT: And that you will also
sign the corporate resolutions for the
above mentioned corporations to a plea
prior to sentencing so that the
corporations can enter pleas; and last,
that you will not engage in any employment
related to the insurance industry, _____
including No-Fault Insurance, personal
injury or health insurance during these
five years.

Do you understand that?

THE DEFENDANT: Yes.

THE COURT: Now, do you also
understand, do you also understand that
when you plead guilty you give up certain
rights, that have to be noted on the
record?

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Those include the right to a jury trial. Because of the nature of the crimes you are entitled to a jury trial in this case. And that the only way you can give up those rights is to knowingly waive it by pleading guilty.

But, associated with the jury trial is the right to have the DA put to the burden of proving your guilt beyond a reasonable doubt to a jury that you and your attorney help select.

When you plead guilty you give up the right to see and hear all the witnesses that are accusing you of these crimes; you give up the right to have the DAs put to the burden of proving your guilt beyond a reasonable doubt; and you give up the right to have the jury be the one to make the ultimate decision.

Do you understand you are giving that up?

THE DEFENDANT: Yes.

THE COURT: At a jury trial you, too, could testify. You don't have to, you

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guilty?

THE DEFENDANT: Yes.

THE COURT: Listen to the question.

THE DEFENDANT: No.

THE COURT: All right.

Are you doing so of your own free
will?

THE DEFENDANT: I understand.

MR. RUCK: Are you doing this --

THE COURT: Are you doing it of your
own volition?

THE DEFENDANT: Yes.

THE COURT: All right.

All right. Mr. Ruck, you believe that
she is going to be able to pay this
restitution over five years?

MR. RUCK: Yes, your Honor.

THE COURT: Listen to the clerk of the
court as the plea is recorded.

Sentence date will be approximately
six to eight weeks from today.

MR. RUCK: Your Honor, may I just
clarify a matter, and I think it was made
part of the record when you first

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addressed it, but I have my checklist, it is understood and agreed that the pleas offered to your Honor are in full satisfaction of the entire indictment and all the matters known to the District Attorney's Office that exist in their investigative files with respect to my client as of this point in time.

MS. SEELY: That's correct, your Honor.

THE COURT: All right.

Listen to the clerk of the court.

THE CLERK: Miss Tatiana Rybuk, is that your true name?

THE DEFENDANT: Yes.

THE CLERK: And Mr. Ruck, who stands beside you, is your attorney?

THE DEFENDANT: Yes.

THE CLERK: Before accepting your plea of guilty you are advised that if you have previously been convicted of a predicate felony, as defined in Article 70 of the Penal Law, that fact may be established after your plea of guilty in this action

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now before this court and you may be subject to different or additional punishment.

Miss Rybuk, do you now wish to withdraw your pleas of not guilty entered under Indictment 4270 of 1999 and do you now wish to plead guilty to the crimes of Attempted Enterprise Corruption, Class C Felony, as well as Scheme to Defraud in the First Degree, a Class E Felony, and twelve counts of Insurance Fraud in the Fifth Degree, all Class A Misdemeanors, to cover this indictment; is that what you wish to do?

THE DEFENDANT: Yes.

THE CLERK: You are also advised on the date of sentencing a mandatory surcharge of \$150.00, a crime victim's assistance fee of \$5.00 may be imposed pursuant to 60.35 of the Penal Law.

Are you a U.S. citizen, Ms. Rybuk?

THE DEFENDANT: Not a citizen.

THE CLERK: Not a citizen.

You are further advised that if you

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are not a U.S. citizen your immigration status may be jeopardized and you may be deported at any time prior to the expiration of your sentence.

Also, if you become subject to a final order of deportation you may be paroled to the immigration authorities for deportation at any time subsequent to the commencement of an indeterminate prison sentence.

Prison sentence is not an issue.

Sentence date, 12/13?

THE COURT: Do you want the same date?

MS. SEELY: I think another date would be better.

THE COURT: All right.

Date approximately around 12/13 you would like to do this, 14th, 15th, 16th, 17th?

MS. BURACH: The 14th is fine.

MS. SEELY: Whatever is good for Mr. Ruck.

MR. RUCK: December 14th is fine, your

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Honor.

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THE COURT: All right, 12/14.

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Now you are going to have to report to probation. Make sure you speak to probation because I need a report in order to sentence you.

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THE CLERK: Bail continued?

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THE COURT: Bail continued.

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MS. BURACH: Your Honor, one last thing, I believe you might have said this but I didn't hear that, that if Miss Rybuk violates any of the conditions of probation she will be subject to the minimum jail sentence of one to three years.

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THE COURT: That is correct.

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MS. BURACH: Thank you.

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THE COURT: Anything else?

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MS. BURACH: That's it.

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MR. RUCK: While I am here and while we are on the record, I am reminded all the terms of the agreement need to be on the record.

The District Attorney's Office has

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promised that if I called upon them or anyone else on Miss Rybuk's behalf that they will confirm that she has provided substantial information and substantial cooperation to the District Attorney's Office, correct?

MS. SEELY: That's correct, Jay Shapiro of the Rackets Division had made that representation to Mr. Ruck that we will provide a letter stating that there was substantial information provided.

THE COURT: All right.

* * * * *

Certified that the foregoing is a true and accurate transcript of the original stenographic minutes in this case.


Teresa McGrath
Official Court Reporter